

Claim Rejections - 35 U.S.C. § 103

Claims 1-24 were rejected under 35 U.S.C. § 103 as being unpatentable over U.S. Patent No. 6,189,146 issued to Misra et al. (*Misra*) in view of U.S. Patent No. 5,765,152 issued Erickson (*Erickson*) and U.S. Patent No. 6,269,343 issued to Pallakoff (*Pallakoff*). Claims 7, 15 and 23 have been canceled. Thus, the rejection of claims 7, 15 and 23 as rendered obvious by *Misra* in view of *Erickson* and *Pallakoff* are moot. For at least the reasons set forth below, Applicants submit that claims 1-6, 8-14, 16-22 and 24 are not rendered obvious by *Misra* in view of *Erickson* and *Pallakoff*.

Claim 1 recites the following:

a rules engine containing a set of rules for determining a discount step for the product in accordance with the volume licensing agreement;

a pricing generator to calculate a purchase price for the product in accordance with the discount step and the purchase history, wherein the pricing generator determines whether the discount step is current and, if the discount step is not current, determines a new discount step and updates the purchase price; and

a purchase generator to display the purchase price and transact a purchase of the product in response to a user request.

Thus, Applicants claim calculating a purchase price for a product in accordance with a discount step under a volume license agreement (VLA) and a purchase history for the product. Claim 10 is drawn to a computer-readable medium having computer-executable instructions, and recites similar limitations. Claim 17 is drawn to a computer-implemented method, and recites similar limitations.

*Misra* discloses a software licensing system that includes a license generator located at a licensing clearinghouse, and at least one license server and multiple clients located at a company or entity. See col. 2, lines 12-31. Applicants agree with the Examiner that *Misra* does not teach or suggest a method of pricing a product in accordance with a VLA for the product and a purchase history for the product. See Office Action, para. 4, p. 3.

*Pallakoff* discloses a marketing method and system that aggregates demand and provides demand-based pricing, in which prices go down as the volume of units sold goes up. See col. 1, lines 53-55; col. 2, lines 27-28. If a number of demands for a product reaches a maximum limit, or if the number of demands exceeds a threshold amount by the end of a predetermined time period, a final price is determined based on predetermined prices associated with demand thresholds. See col. 8, lines 5-32. *Pallakoff* does not teach or suggest a pricing generator to calculate a purchase price for the product in accordance with the discount step and the purchase history, wherein the pricing generator determines whether the discount step is current and, if the discount step is not current, determines a new discount step and updates the purchase price. Thus, *Pallakoff* neither cures the deficiencies of *Misra* nor discloses the type of pricing claimed in claims 1, 10, and 17. Therefore, no combination of *Misra* and *Pallakoff* teaches or suggests the invention as claimed in claims 1, 10, and 17.

*Erickson* discloses a system and method for the secure electronic copyright management and automatic identification of ownership of creative works distributed as digital or electronic media (see col. 3, lines 18-34). Nothing in *Erickson* teaches or suggests pricing a product in accordance with a VLA for the product and a purchase history for the product. Furthermore, nothing in *Erickson* teaches or suggests a pricing generator to calculate a purchase price for the product in accordance with the discount step and the purchase history, wherein the pricing generator determines whether the discount step is current and, if the discount step is not current, determines a new discount step and updates the purchase price. Thus, *Erickson* neither cures the deficiencies of *Misra* and *Pallakoff* nor discloses the type of pricing claimed in claims 1, 10, and 17. Therefore, no combination of *Misra*, *Pallakoff*, and *Erickson* teaches or suggests the invention as claimed in claims 1, 10, and 17.

Claims 2-6 and 8-9 depend from claim 1. Claims 11-14 and 16 depend from claim 10. Claims 18-22 and 24 depend from claim 17. Because dependent claims include the limitations of the claims from which they depend, Applicants submit that claims 2-6, 8-9, 11-14, 16, 18-22 and 24 are not rendered obvious by *Misra* in view of *Erickson* and *Pallakoff* for at least the reasons set forth above.

Examiner states that *Misra* alludes to the collection of purchase history, but that *Misra* is not clear about using this data in connection with pricing digital content. Examiner further states that volume purchasing is a well-established business practice, and that it therefore would be obvious to add a volume discount pricing method to the maintenance of an inventory of software license purchases in *Misra*. First, *Misra* is clear about maintaining an inventory of software licenses that have been purchased so that software licenses are distributed only as long as non-assigned licenses remain available. See col. 2, lines 50-61; col. 3, lines 21-30. Thus, it is clear that *Misra* is not using this data in connection with pricing digital content.

Second, merely because volume purchasing is a known business practice does not mean that it would be obvious to add volume pricing to the maintenance of an inventory of software license purchases in *Misra*. Although an Office Action may suggest that an element of a primary prior art reference *could* be modified to form the claimed structure, the mere fact that the prior art *could* be so modified would not make the modification obvious unless the prior art suggested the desirability of the modification (emphasis added). In re Laskowski, 871 F.2d 115, 10 USPQ2d 1397 (CAFC 1989). There must be some supporting teaching in the prior art for the proposed modification to be proper. In re Newell, 891 F.2d 899, 13 USPQ2d 1248 (CAFC 1989). *Misra* does not teach or suggest adding a volume discount pricing method to the maintenance of an inventory of software license purchases.